

**BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF DELAWARE**

**IN THE MATTER OF REQUEST FOR APPROVAL)
OF DELMARVA POWER & LIGHT COMPANY'S)
2022-2023 STANDARD OFFER SERVICE RATES) PSC Docket No. 22-0246
PROCUREMENT COST ADJUSTMENT AND)
RARM FILING (FILED MARCH 30, 2022,)
AMENDED OCTOBER 20, 2022))**

ORDER NO. 10165

AND NOW, this 1st day of February 2023, the Delaware Public Service Commission (“Commission”) determines and orders the following:

WHEREAS, on March 30, 2022, Delmarva Power & Light Company (“Delmarva”) filed with the Commission the above-captioned application (the “Application”) seeking approval of its 2022-23 Standard Offer Service Rates, Procurement Cost Adjustment and RARM filing (“SOS-PCA-RARM Filing”) and to approve changes to Tariff Leaf Nos. 39, 40, 41, 42, 43, 43a, 44, 45, 46, 47, 50, 112, and 114 to become effective June 1, 2022; and

WHEREAS, on April 20, 2022, the Commission approved Order No. 10002 wherein it determined, pursuant to 26 *Del. C.* § 306(a)(1), that the proposed SOS-PCA-RARM rates and tariff revisions should be permitted to become effective for usage on and after June 1, 2022, subject to refund and pending the Commission’s further review and final decision; and

WHEREAS, on October 20, 2022, Delmarva made an amended request to implement an interim updated rate change to the Procurement Cost Adjustment (“PCA”) rates (“Amended SOS-PCA-RARM Filing”), effective for usage on or after December 1, 2022, for the Medium General Service Secondary (“MGS”), Large General Service (“LGS”), and General Service Primary (“GSP”) service classifications, as well as customers served under Hourly Priced

Service (“HPS”). The bill impacts associated with these changes were: customers served on Service Classification MGS would experience an increase on their bills within the range of 2.15% to 3.99%; customers served on Service Classification LGS would experience an increase on their bills within the range of 2.16% to 3.48%; customers served on Service Classification GSP would experience an increase on their bills within the range of 2.89% to 40.08%; and the amount of the increase for these customers, as well as HPS, would depend upon their load and usage characteristics; and

WHEREAS, Delmarva filed its Amended SOS-PCA-RARM Filing pursuant to the Second Amended Settlement Agreement, paragraph Section G(1)(b), in Docket Nos. 04-391 and 09-9 (as approved by Order No. 9933) which states that “[i]n the event the estimated year-end balances become significant during a year, Delmarva retains the right to request that the Commission approve an interim true-up to be effective prior to the end of the year;” and

WHEREAS, Delmarva provided testimony and accompanying schedules from Robert J. Coan explaining the procurement cost true-up adjustment to the SOS-PCA-RARM Filing rates approved on April 20, 2022, is primarily due to a retail electric supplier dropping a number of large commercial and industrial customers and those customers migrating back to SOS service in May 2022; and

WHEREAS, the Commission held an evidentiary hearing on November 2, 2022 at which time it heard testimony supporting the Amended SOS-PCA-RARM, and finding good cause to waive the sixty (60) day notice requirement for rate changes in order for the proposed PCA rates set forth in the Amended SOS-PCA-RARM Filing to become effective on a temporary basis on or after December 1, 2022, with proration, for the applicable rate classes,

subject to refund, and pending the Commission's final decision at a duly noticed evidentiary hearing to be held on February 1, 2023 (*See* Order No. 10127); and

WHEREAS, the Commission held an evidentiary hearing on February 1, 2023, at which Staff and Delmarva presented witnesses who testified that the 2022 SOS-PCA-RARM and the 2022 Amended SOS-PCA-RARM Filing, all related workpapers, and proposed rates and tariff changes comply with previous Commission orders, and reflect the total supply costs for which Delmarva requested recovery; and

WHEREAS, Staff submitted a Memorandum to the Commission (incorporated herein by reference) wherein Staff recommends final approval of Delmarva's proposed Standard Offer Service rates for Residential "R", Residential Space Heating "R", the Residential Time of Use Non-Demand "R-TOU-ND", the Plug-In Vehicle Charging-"PIV", the Small General Service-Secondary Non-Demand ("SGS-ND"), and the Separately Metered Water Heating Secondary Service "SGS-ND" and "MGS-S", that went into effect June 1st, 2022 for the period June 1st- May 31, 2023 on a temporary basis with proration and subject to refund and the Standard Offer Service rates for Medium General Service-Secondary "MGS", the Large General Service-Secondary "LGS-S", the General Service-Primary "GS-P", and the Rider "HPS" Hourly Priced Service Procurement Cost Adjustment ("HPS-PCA"), that went into effect December 1st, 2022 for the period December 1st – May 31st, 2023 on a temporary basis with proration and subject to refund and the Rider "SOS" Procurement Cost Adjustment ("PCA") Leaf 112;

**NOW THEREFORE, IT IS HEREBY ORDERED BY THE AFFIRMATIVE
VOTE OF NOT FEWER THAN THREE COMMISSIONERS:**

1. The Commission approves as final the Standard Offer Service rates for Residential "R", Residential Space Heating "R", the Residential Time of Use Non-Demand "R-TOU-ND", the Plug-In Vehicle Charging-"PIV", the Small General Service-Secondary Non-Demand

(“SGS-ND”), and the Separately Metered Water Heating Secondary Service “SGS-ND” and “MGS-S”, that went into effect June 1st, 2022 for the period June 1st- May 31, 2023 on a temporary basis with proration and subject to refund and the Standard Offer Service rates for Medium General Service-Secondary “MGS”, the Large General Service-Secondary “LGS-S”, the General Service-Primary “GS-P”, and the Rider “HPS” Hourly Priced Service Procurement Cost Adjustment (“HPS-PCA”), that went into effect December 1st, 2022 for the period December 1st – May 31st, 2023 on a temporary basis with proration and subject to refund and the Rider “SOS” Procurement Cost Adjustment (“PCA”) Leaf 112.

2. The Commission reserves jurisdiction and authority to enter such further Orders in this matter as may be necessary or proper.

BY ORDER OF THE COMMISSION:

Dallas Winslow, Chairman

Joann Conaway, Commissioner

Harold Gray, Commissioner

Manubhai “Mike” Karia, Commissioner

Kim F. Drexler, Commissioner

ATTEST:

Donna Nickerson, Secretary